

TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD

vs.

MICHAEL M. RIBE  
TX-1321850-R

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DOCKETED COMPLAINT NO.  
07-106

**AGREED FINAL ORDER**

On this the 15<sup>th</sup> day of AUGUST, 2008, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Michael M. Ribe (Respondent).

In order to conclude this matter, Michael M. Ribe neither admits nor denies the truth of the Findings of Fact and Conclusions of Law contained herein and further agrees to the disciplinary action set out in this Agreed Final Order. The Board makes the following findings of fact and conclusions of law and enters this Order in accordance with TEX. OCC. CODE § 1103.458:

**FINDINGS OF FACT**

1. Respondent, Michael M. Ribe, is a Texas state certified residential real estate appraiser, holds certification number TX-1321850-R, and has been certified or licensed by the Board during all times material to the above-noted complaint case.
2. On or about March 5<sup>th</sup>, 2007, Respondent appraised real property located at 1660 FM 1978, San Marcos, Texas 78666 ("the property").
3. On or about March 21<sup>st</sup>, 2007, the Complainant, Billy R. Locke, filed a complaint with the Board. The complaint alleged that the appraisal misrepresented the construction quality and condition of subject property, contained inappropriate comparable sales selection, incorrect gross living area and had an inflated value opinion.
4. On or about April 20<sup>th</sup>, 2007 the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. CHPT. 2001, and TEX. OCC. CODE CHPT. 1103, notified Respondent of the nature of the accusations involved and Respondent was afforded an opportunity to respond to the accusations in the complaint. Respondent's response to the complaint was received.
5. Respondent violated TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by the following acts or omissions which did not conform to USPAP in effect at the time of the appraisal report for the property.

- a) Respondent produced a misleading appraisal report on the property;

- b) Respondent failed to report the prior sales of the comparable sales;
- c) Respondent failed to identify and report the site description adequately, including zoning and incorrectly reporting the county in which the property is located;
- d) Respondent failed to identify and report improvements description adequately, including things such as the condition of the improvements and their features;
- e) Respondent failed to provide a brief summary of his rationale for his determination of the property's highest and best use;
- f) Respondent used inappropriate methods or techniques in his sales comparison approach analysis and failed to identify, analyze and report comparable sales data adequately by not selecting appropriate comparable sales, and not addressing significant issues with regard to the property's condition and quality of construction; and
- g) Respondent's report contained substantial errors of commission or omission as noted above.

## CONCLUSIONS OF LAW

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over this matter pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq.
2. Respondent violated the following provisions of USPAP as prohibited by TEX. OCC. CODE § 1103.405 and 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a): USPAP Supplemental Standards Rule and USPAP Standards Rules: 1-2(e)(i) & 2-2(b)(iii), 1-3(b) & 2-2(b)(ix), 1-4(a) & 2-2(b)(viii), 1-1(a) & 1-4(a), 1-1(b), 1-1(c), and 2-1(a).
3. Respondent violated 22 TEX. ADMIN. CODE §153.20(a)(9) by making material misrepresentations and omissions of material facts.

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that the Respondent shall:

- a. Have his certification suspended for twelve months with the suspension being fully probated under the following conditions:
  - i. During the entire twelve-month probation period Respondent shall submit on a form prescribed by the Board, an appraisal experience log to the Board every three months. The log shall detail all real estate appraisal activities he has conducted during the previous three-month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete

and fully accurate. Upon request from the Board, Respondent shall provide copies of his appraisal reports and work files for any appraisal assignments he performs during the course of his period of probation within twenty days of notice of such request;

- ii. Respondent shall timely remit payment of the administrative penalty and timely complete all of the remedial coursework required in this Order;
- b. Attend and complete a minimum, 15 classroom-hour course in USPAP;
- c. Attend and complete a minimum, 15 classroom-hour course in the Sales Comparison Approach;
- d. Attend and complete a minimum, 7 classroom-hour course in Residential Case Studies or Appraising the Tough Ones or Appraising Oddball Properties;
- e. Pay to the Board an administrative penalty of \$500.00; and,
- f. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future, or be subjected to further disciplinary action.

**ALL CLASSES** required by this Agreed Final Order must be classes approved by the Board and must be completed within **NINE MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the nine-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. Unless otherwise noted above, all classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for certification.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be tendered within **TWENTY DAYS** of the date of this Agreed Final Order.

Failure to timely comply with any of the terms of this Final Agreed Order shall result in initiation of a contested case proceeding against Respondent and after opportunity for a hearing, possible imposition of disciplinary sanctions against Respondent as provided for by TEX. OCC. CODE § 1103.518, including but not limited to possible revocation of the above-noted probation.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published in the Board's newsletter and/or on the Board's web site.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 13<sup>th</sup> day of August, 2008.



MICHAEL M. RIBE

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 13 day of August, 2008, by MICHAEL M. RIBE, to certify which, witness my hand and official seal.



Notary Public Signature

Laura J George

Notary Public's Printed Name



Signed by the Commissioner this 15<sup>th</sup> day of August, 2008.



Timothy K. Irvine, Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 15<sup>th</sup> day of August, 2008.



Clinton P. Sayers, Chairperson  
Texas Appraiser Licensing and Certification Board